



PROPOSED MARKETING AGREEMENT

CHATTANOOGA (TENN.) MILK AREA

This proposed marketing agreement was drafted by committees representing the Chattanooga Area Milk Producers' Association, the cooperating distributors, United Dairies, Inc., Morning Star Dairy, Grant Patten Milk Co., Inc., Cream Top Dairy Products Co. and non-cooperating distributors, and the non-cooperating producers of the Chattanooga Area. Thereafter it was submitted to a general meeting of all persons interested in the milk industry in the Chattanooga Area, and is to be presented to the Secretary of Agriculture for his approval.

* * * *

PROPOSED AGREEMENT

I

As used in this agreement, the following words and phrases shall mean:

a. "Contracting Producers" means the Chattanooga Area Milk Producers' Association and such other producers of milk sold or consumed in the "chattanooga Sales Area" as may become parties signatory to this agreement.

b. "Contracting Distributors" means such distributors as United Dairies, Inc., Morning Star Dairy, Grant Patten Milk Co., Inc., Cream Top Dairy Products Co. and processors of milk in the "Chattanooga Sales Area" as may become parties signatory to this agreement.

c. "Fluid Milk" means all milk and cream, and such fluid derivatives thereof as are sold wholesale or retail, bulk or bottled, by "contracting distributors" in the "Chattanooga Sales Area."

d. "Chattanooga Sales Area" means the city of Chattanooga, Tennessee, and the territory lying within ten miles distant, air-line, from the nearest point marking the corporate limits of the City of Chattanooga.

e. "Chattanooga Milk Producing Area" means the area specified by the Health Department of the City of Chattanooga from which milk may be brought into for sale within the "Chattanooga Sales Area," the boundaries of which are shown by the map attached hereto and made a part hereof, marked Exhibit E.

f. "Secretary" means the Secretary, or Acting Secretary, of Agriculture of the United States.

g. The "Dairy Council" means Chattanooga Dairy Council, a non-profit corporation to be organized under the laws of the State of Tennessee, controlled jointly by the Contracting Producers and Contracting Distributors for advertising milk health education and quality control.

h. "Act" means the "Agricultural Adjustment Act," approved May 12, 1933.

The PARTIES to this agreement are the "Contracting Producers," the "Contracting Distributors," and the "Secretary."

II

WHEREAS, pursuant to the "Act", the parties hereto, for the purpose of correcting the conditions now obtaining in the marketing of milk in the "Chattanooga Sales Area," desire to enter into a marketing agreement under the provisions of Section 8 (2) of the "Act"; and

WHEREAS, the Chattanooga Area Milk Producers Association markets, and its members produce, more than 75 percent of the milk distributed and consumed in the "Chattanooga Sales Area" and represents that it has corporate power and authority to enter into this agreement; and

WHEREAS, the "Contracting Distributors" distribute more than 65 percent of the milk distributed in the "Chattanooga Sales Area," which said milk comprises substantially all of the milk marketed by the Chattanooga Area Milk Producers' Association as aforesaid; and

WHEREAS, the marketing of milk produced for distribution in the "Chattanooga Sales Area" and distribution thereof affect and enter into both the current of interstate commerce and the current of intrastate commerce, which are inextricably intermingled;

III

NOW, THEREFORE, the parties hereto agree as follows:

1. The schedule governing prices at which, and the terms and conditions under which, milk shall be sold by the "Contracting

"Producers" and purchased by the "Contracting Distributors" for distribution and consumption in the "Chattanooga Sales Area" shall be that set forth in Exhibit "A" which is attached hereto and made a part hereof. Such schedule may be changed by agreement between the "Contracting Producers" and the "Contracting Distributors," provided, however, that such price changes shall become effective only upon the written approval of the "Secretary."

Payments to "Dairy Council" on behalf of non-cooperating producers and on behalf of members of the Chattanooga Area Milk Producers' Association, pursuant to paragraphs 5 and 6 hereto, shall both, respectively, be deemed part of the price paid to producers.

2. The plan governing the marketing of milk shall be that set forth in Exhibit B, which is attached hereto and made a part hereof. Such plan may be modified by agreement between the parties, provided, however, that such modified plan shall become effective only upon the written approval of the "Secretary."

3. The schedule governing wholesale and retail prices, terms, and conditions under which milk shall be distributed by the "Contracting Distributors" in the "Chattanooga Sales Area" shall be that set forth in Exhibit "C" which is attached hereto and made a part hereof. Such schedule may be changed by agreement between the parties, provided, however, that such price changes shall become effective only upon the written approval of the Secretary.

4. The "Schedule of Fair Practices" under which milk shall be distributed by the "Contracting Distributors" in the "Chattanooga Sales Area" shall be that set forth in Exhibit "D" which is attached hereto, and made a part hereof. Exhibit "D" may be changed by agreement between the parties, provided, that such changes shall become effective only upon the written approval of the "Secretary."

5. All "Contracting Distributors" and all "Contracting Producers" agree to contribute and pay over to the "Dairy Council" for its maintenance and for the purposes for which it is organized and conducted, on or before the 10th day of each month, for the preceding month, one cent for each one hundred (100) pounds of all milk purchased, and one cent for each one hundred (100) of all milk sold, respectively. This shall apply to original purchases and sales only.

6. The "Contracting Distributors" agree that they will not purchase milk from any producer not a member of the Chattanooga Area Milk Producers Association unless such producer authorizes the purchasing "Contracting Distributor" to pay over to the "Dairy Council" the same amount for each one hundred (100) pounds of milk purchased which the members of the Chattanooga Area Milk

Producers Association are then authorizing said Association to deduct for its necessary expenses of operation, plus one cent for each one hundred (100) pounds of milk so purchased, provided said one cent per hundred pounds is not already being paid by the producer as a "Contracting Producer," in accordance with Paragraph 5 above; and said purchasing "Contracting Distributor" shall simultaneously with making payment to the producer for milk purchased make such deduction and payment to the said "Dairy Council." The sums so paid shall be expended by the "Dairy Council" for the purpose of securing to said producers not members of the Chattanooga Area Milk Producers Association, and to the milk industry of the "Chattanooga Milk Producing Area" as a whole, advertising, educational, and other benefits similar to those which are secured by the industry and the members of the Chattanooga Area Milk Producers Association by virtue of their like payments to said Association. The "Dairy Council" shall report in detail each month its activities to the Secretary.

Each "Contracting Producer" not cooperating with the Chattanooga Area Milk Producers Association who markets his own milk direct to consumers instead of to or through distributors, shall pay to the "Dairy Council" for the purposes for which it is organized, on or before the 10th day of each month, an amount per each 100 pounds of milk sold by him equal to that being paid by producer-distributors cooperating with the Association toward the expenses of said Association, plus one (1) cent per hundred pounds of milk sold by him during the preceding month.

7. All present producers of milk, not members of the Chattanooga Area Milk Producers Association, now shipping in to the "Chattanooga Sales Area" whose farms comply with regulations of the Chattanooga Health Department, and the marketing of whose milk is not prohibited by the health laws and ordinances applicable to marketing of milk by said Chattanooga Area Milk Producers Association, shall as heretofore, be permitted, as far as marketing conditions may allow, to become members of the Chattanooga Area Milk Producers' Association on an equal basis with existing members similarly circumstanced.

8. The "Contracting Producers" and the "Contracting Distributors" shall severally maintain systems of accounting which shall accurately reflect the true account and condition of their respective businesses. Their respective books and records shall, during usual hours of business, be subject to the examination of the Secretary (or his duly authorized representative) to assist him in the furtherance of his duties with respect to this agreement, including verification by the Secretary of the information furnished on the forms hereinafter referred to. The "Contracting Producers" and the "Contracting Distributors" shall severally, from time to time, furnish information to the Secretary on and in accordance with forms to

be supplied by him. All information obtained by or furnished to the Secretary pursuant to this paragraph shall remain the confidential information of the Secretary, and shall not be disclosed by him except upon lawful demand made by the President, by either House of the Congress, or any committee thereof, or by any court. The Secretary, however, may combine the information obtained from producers and distributors in the form of general statistical studies or data. The Secretary hereby agrees to issue regulations and prescribe penalties to be imposed in the event of any violation of the confidences or trust imposed hereby.

9. The standards governing the production, receiving, transportation, processing, bottling and distribution of milk sold or distributed in the "Chattanooga Sales Area" shall be those established by the health ordinances and regulations of the Health Departments of the City of Chattanooga, and of the State of Tennessee.

10. The "Contracting Distributors" agree that they will not purchase milk from any producer not in the "Chattanooga Milk Producing Area" who was not shipping milk into the "Chattanooga Sales Area" prior to July 1, 1933, except in case of emergency, and then only as and when authorized by the Chattanooga Health Department; but they may purchase from those producers outside the "Chattanooga Milk Producing Area" who held permits from the Chattanooga Health Department and were actually shipping milk prior to July 1st, 1933, so long as such permits are retained in effect, and so long as they are not taken into the producing area of some other marketing center by the adoption of a marketing agreement, and for three months thereafter, but not longer.

11. The "Contracting Producers" and "Contracting Distributors" shall use their best efforts to assure the observance of the terms and conditions of this agreement of such producers and distributors. Subject to such regulations as the Secretary may prescribe, the "Contracting Producers" and the "Contracting Distributors" shall establish such agency or agencies as are necessary to (a) receive complaints as to violations by any contracting producer or contracting distributor of the terms or conditions of this agreement, (b) adjust disputes arising under this agreement between contracting producers and contracting distributors, (c) make findings of fact which may be published, (d) issue warnings to such persons, and (e) take such lawful measures as may be appropriate; and such agency or agencies if it or they deem it necessary, shall report its findings and action with respect thereto the Secretary for appropriate proceedings under the act.

12. This agreement shall be effective at such time as the Secretary may declare above his signature attached hereto; and it shall continue in force until the last day of the month following the aforesaid effective date and thereafter from month to month, except that:

(a) The Secretary may for good cause shown as of the end of any month terminate this agreement as to any party signatory hereto by notice in writing deposited on or before the 20th of such month in the registered mails and addressed to such party at the address of such party on file with the Secretary.

(b) The Secretary may, by like notice, cancel the contract upon the unanimous written request of all "Contracting Producers" and all "Contracting Distributors" signatory hereto; and upon the written request of not less than seventy-five (75) percent of either of said groups, the percentage being measured by the volume of milk produced or distributed, as the case may be, the Secretary shall hold a hearing as to whether the contract shall be terminated, at which hearing both groups may be heard, and the decision of the Secretary to terminate or not to terminate the contract shall be binding on all parties. If the decision is to terminate this will then be done by the Secretary by notice as provided in Paragraph 12 (a) above.

(c) This agreement shall in any event terminate whenever the President or Congress shall terminate these provisions of the Act which authorize this agreement.

13. The benefits, privileges and immunities conferred by virtue of this agreement shall cease upon its termination except with respect to acts done prior thereto; and the benefits, privileges and immunities conferred by virtue of this agreement upon any party or parties signatory hereto shall cease upon its termination as to such party except with respect to acts done prior thereto.

14. This agreement may be executed in multiple counterparts which, when signed by the Secretary, shall constitute, taken together, one and the same instrument as if all such signatures were contained in one original.

15. After this agreement first takes effect any producer or association of producers of milk for consumption as fluid milk, or any distributor of fluid milk, may become a party to this agreement if a counterpart thereof is executed by him and by the Secretary. The agreement shall take effect as to such producer or distributor at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges, and immunities conferred by this agreement shall then be effective as to such producer or distributor.

16. The "Contracting Distributors" hereby apply for and consent to licensing by the Secretary, subject to Milk Regulations, Agricultural Adjustment Administration, Series _____, prescribed by the Secretary and approved by the President, according to the form of license and according to Milk Regulations, Agricultural Adjustment Administration, Series _____, and not otherwise.

IV

IN WITNESS WHEREOF, the "Contracting Producers" and the "Contracting Distributors" acting under the provisions of the Agricultural Adjustment Act, for the purposes and within the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals.

PRODUCERS

Chattanooga Area Milk Producers Association

By _____ Attest _____
President. Secretary.

DISTRIBUTORS

By _____ Attest _____

EXHIBIT "A"

PRODUCTION PRICES OF FLUID MILK

The prices paid to producers shall be determined with reference to the rules contained herein for the purchase of milk from the Chattanooga Area Milk Producers' Association and from non-cooperating producers, and also with reference to the rules for control of basic production as set out in Exhibit "B".

SECTION I

CLASSES OF MILK

All milk purchased under this agreement shall be divided into the following classes:

1. Class One Milk:

All milk sold in bottles.
All Bulgarian buttermilk sold in bottles.
All cream buttermilk sold in bottles.
All coffee cream sold in bottles.
All whipping cream sold in bottles.
All special cream sold in bottles.

2. Class Two Milk:

Sweet cream for manufacturing purposes other than the making of butter.

3. Class Three Milk:

Cream used for butter.

4. Class Four Milk:

Skimmed milk.

SECTION II.

PRICES OF MILK

The prices to be paid for milk by the distributor shall be:

1. For Class One Milk: Sixty (60) cents per pound of butterfat contained therein; provided, however, that a premium of an additional five (5) cents per pound of butterfat may be charged and paid for milk produced in Grade A barns.

2. For Class Two Milk: The average price per pound of butterfat contained therein for the preceding fifteen (15) day period as reported by the United States Government reports, of ninety on the Chicago market, unless discontinued, then New York ninety-two score extra, plus ten (10) cents per pound butterfat for raw sweet cream, and plus twelve (12) cents per pound butterfat for pasteurized sweet cream.

3. For Class Three Milk: The price per pound of butterfat as determined by auction in blocks or as a whole by the Association on the 15th and last days of each month for the succeeding fifteen day period, with the Chicago market price as the base or minimum.

4. For Class Four Milk: Eight (8) cents per gallon.

All prices are gross prices, F. O. B. dealers' plants, except Classes 2, 3 and 4 purchased from the Chattanooga Area Milk Producers Association, which shall be F. O. B. Association plant.

The purchaser will pay in full on or before the 20th day of each and every month for all milk purchased and delivered during the period of the first to the fifteenth day, inclusive, of such month, and will pay in full on or before the 5th day of each month for all such milk delivered during the period from the 16th to the last day, inclusive, of the previous month.

SECTION III.

RULES GOVERNING PURCHASE BY DISTRIBUTORS

FROM THE ASSOCIATION

1. On or before the fifth and twentieth days of each month the Chattanooga Area Milk Producers Association shall submit a detailed statement to each "Contracting Distributor" setting forth the total amount of milk purchased by himself or firm, together with the amount purchased in each of the various classes, during the preceding fifteen (15) day period, on forms provided and in the manner prescribed by the auditors for the Chattanooga Area Milk Producers Association.

2. Each Distributor will pay the Association for the milk so purchased on the 5th and 20th of each month, as hereinabove provided.

3. On or before the fifth and twentieth days of each month each non-contracting distributor shall furnish to the Chattanooga Milk Industry Board, for the purpose of administering the Equalization Fund, a complete list of non-member producers, together with the addresses, upon forms provided by the Chattanooga Milk Industry Board, from whom shipments were received during the preceding fifteen (15) day period, together with quantity and butterfat content.

4. Between the 10th and 25th of each month the Auditors for the Chattanooga Milk Industry Board shall audit the reports submitted by each non-contracting distributor for that month and any discrepancies found will be adjusted when the next payment into the Equalization Fund is made.

4-a. The Milk Industry Board shall be composed of one member selected annually by the Chattanooga Area Milk Producers Association, one member selected by a majority of Milk Distributors of Chattanooga and one member appointed by the Director of Agricultural Extension Service of United States.

5. After this code is put into effect, the Chattanooga Area Milk Producers Association will sell to non-cooperating distributors Classes 2 and 4 milk, and will permit them to bid for and buy at the auctions Class 3 milk, at the prices it sells the same to cooperating distributors, but for cash only, and subject to the prior rights of cooperating distributors under their contracts with the Association, if the supply is insufficient to meet demands of both classes.

SECTION IV.

RULES GOVERNING PURCHASE OF MILK BY DISTRIBUTORS NOT COOPERATING WITH THE ASSOCIATION

For the purpose of insuring that each producer furnishing milk for distribution in the Chattanooga market be paid for his milk on an equal basis with all other producers furnishing milk to the same market, the following rules shall govern the purchase of milk by "Contracting Distributors" from producers who are not members of the Chattanooga Area Milk Producers' Association.

1. On or before the 5th and 20th days of each month each "Contracting Distributor" not cooperating with the Chattanooga Area Milk Producers Association shall furnish to the Chattanooga Milk Industry Board a sworn statement setting forth the total amount of milk purchased by himself or firm, together with the total amount used in the various classes during the preceding fifteen day period, on forms provided by the said Board.

2. In like manner said "Contracting Distributor" shall furnish to the Industry Board a sworn statement containing a complete list of producers from whom he purchased milk the preceding fifteen day period, together with their addresses and the amount of milk purchased from each, and its butterfat content.

3. The said "Contracting Distributor" shall keep adequate books and records disclosing all the facts and information required by the "Secretary", to determine sales, movements out of plants and manufacturing records of all milk in the various classes. The above mentioned statements shall be regularly verified by a Certified Public Accountant designated by the Chattanooga Milk Industry Board. Any discrepancies found by said Certified Public

Accountant shall be reported to the Auditors for the Chattanooga Area Milk Producers' Association for its members, and adjustment shall be made when the next payment into the Equalization Fund is made.

4. The Auditors for the Chattanooga Milk Industry Board shall include the reports of the above-mentioned non-cooperating "Contracting Distributors" in with the records of cooperating "Contracting Distributors" in computing the distributions to be made to cooperating and non-cooperating producers from the Equalization Fund.

5. The above mentioned "Contracting Distributors" not purchasing milk through the Chattanooga Area Milk Producers' Association and the "Contracting Distributors" cooperating with the Chattanooga Area Milk Producers' Association shall therefore both be bound by the following rules for the balancing and ascertaining of prices.

Method of Balancing and Ascertaining Prices

(1) The cost of milk to the "Contracting Distributor" shall be the price hereinabove set out or to be determined as provided in Exhibit "A" for the various classes of milk.

(2) The prices to be paid to the producers by the distributors shall be determined as follows: At the close of each fifteen day period the Association shall determine the aggregate number of pounds of butterfat received by it, and multiply this by the price per pound of butterfat. From the sum so ascertained, it will deduct the aggregate proceeds received from the sale of all such milk in the various classes, and divide the net result by the number of pounds of butterfat received, thus determining the loss per pound of butterfat on account of surplus. The Association shall thereupon account to its own members upon the basis of the butterfat price less the surplus loss; and it shall immediately notify all non-cooperating distributors the net amount per pound butterfat thus determined and paid to members of the Association. All non-cooperating "Contracting Distributors" shall thereupon settle with their producers on the basis of the net price so determined, and the difference between such net price and the gross price per pound of butterfat to distributors; i.e. the loss per pound butterfat on account of surplus, shall be paid by such non-cooperating distributor into the Chattanooga Milk Industry Board. Said Equalization Funds shall be kept separate, and once each month said Fund shall be distributed pro rata, upon a basis of the pounds of butterfat sold by each for the period, to the producing members of the Association and to the non-cooperating producers alike.

EXHIBIT "B"

RULES FOR CONTROL OF BASIC PRODUCTION

For the purposes of this agreement, the term "Base" as used in respect of any producer, farm or herd, as the case may be, shall be the average quantity of milk produced during the months of October, November, December, January, February and March, plus 20%, recorded as such in the files of the Chattanooga Area Milk Producers Association, except that in respect of those producers who retail milk from their own herd within the "Chattanooga Sales Area" who have no such established base. "Bases" shall be allotted by the Chattanooga Milk Industry Board upon a basis which will be equitable as compared with the established "Bases" of all other producers delivering to the Chattanooga Sales Area:

Rule 1. The present Base shall be effective from August 1, 1933, until the market justifies allowing everyone to set new bases.

Rule 2. Each non-cooperating producer's Base shall be determined from the records of his distributor by the Milk Industry Board and shall be his average production for the months of October, 1932, to March, 1933, inclusive, plus 20 percent, and when so ascertained the base shall be furnished to the Milk Industry Board for its record.

Rule 3. With the consent of the Chattanooga Health Department an increase in the Base may be provided to meet a milk shortage or other emergency, but any such increase shall be spread equitably over the membership of the Association and the non-cooperating producers alike.

Rule 4. Non-members who are shipping milk on the market may retain their Base as fixed by Rule 2 when they join the Association.

Rule 5. Except in case of a threatened milk shortage, new producers entering production after August 1, 1933, will be allowed a Base of fifty (50) percent of their production each month for three months. After that their Base shall be determined by taking their average daily production for that three months period and subtracting from it the average percentage of Class III milk on the whole market during that three months period, which shall continue until his base shall have been established as prescribed herein for present members of the Chattanooga Area Milk Producers' Association.

Rule 6. A tenant renting a farm may transfer his Base from farm to farm with the established herd.

Rule 7. An established Base may be transferred only with an entire herd (1) when the sale and transfer is made to one

party and in one transaction; (2) when the purchaser does not move the herd, but maintains and operates it at the same place as either owner or leasee of the farm; and (3) when the purchaser, if he moves the herd, operates the same in the new location for not less than six consecutive months.

Rule 8. Where a herd is dispersed due to the State and Federal Test for tuberculosis or contagious abortion, or due to an act of God, the herd must be replaced within ninety days if Base is to be retained by a producer.

Rule 9. Any producer who shall voluntarily stay off the market for a period of forty-five days shall forfeit his Base to the Chattanooga Milk Industry Board for re-allotment.

Rule 10. No financial penalty shall be levied against any member who is shipping below his Base, except for that period when the Association may be unable to deliver the full supply to its distributors. During any such period and for the extent of such a period financial penalty will be levied against producers shipping below their Base to the sum that will compensate the Association for any loss that the Association may incur in shipping in milk or cream to supply the deficit.

Rule 11. Any member of the Association, and any non-cooperating producer as well, who ships milk in excess of his base shall be paid and may receive for any such excess the price of Class III milk for such period only, and no more.

EXHIBIT "C"

WHOLESALE AND RETAIL SCHEDULE

	Wholesale	Retail	To Stores	From Stores
<hr/>				
<u>MILK-BULK</u>				
Per Gallon.....	32¢			
Not to be sold to retail customers, delivered.				
<u>MILK-BOTTLED</u>				
Quarts.....	9 1/2¢	11¢	9 1/2¢	11¢
Pints.....	5¢	6¢	5¢	6¢
Half pints.....	3¢	5¢	3¢	5¢
<u>BUTTERMILK</u>				
Quarts.....	6¢	8¢		
Gallons.....		25¢		
Gallons-Bulk.....	20¢			
Not to be sold in bulk to retail customers delivered.				
<u>CHOCOLATE MILK</u>				
Quarts.....	9 1/2¢	11¢	9 1/2¢	11¢
Pints.....	5¢	6¢	5¢	6¢
Half pints.....	3¢	5¢	3¢	5¢
<u>CREAM-BULK</u>				
1. Coffee-Approximately 20% butterfat, Gallon.....	1.35			
2. Whipping-Approximately 32% butter- fat, Gallon.....	2.00			
<u>CREAM-BOTTLED</u>				
1. Coffee-Approximately 20% butter- fat, Quarts.....	35¢	40¢	35¢	40¢
Pints.....	20¢	24¢	20¢	24¢
Half pints.....	10¢	12¢	10¢	12¢
2. Whipping-Approximately 32% fat, Quarts.....	55¢	65¢	55¢	65¢
Pints.....	30¢	35¢	30¢	35¢
Half pints.....	16¢	18¢	16¢	18¢
<u>SKIM MILK</u>				
Bulk - Gallon.....	20¢			
<u>COTTAGE CHEESE</u>				
Bulk - Pound.....	15¢			
8 oz. package.....		10¢	10¢	12 1/2¢

EXHIBIT "D"

CODE OF FAIR PRACTICES

IT SHALL BE CONSIDERED UNFAIR PRACTICE:

1. To violate wilfully any provision of Health Ordinances of the city of Chattanooga touching the handling and marketing of milk, and any of the rules and regulations of the Chattanooga Health Department respecting the same.

2. To offer bonuses to a competitor's producers either in the form of a higher price or change in conditions affecting price, for the purpose of coercing or injuring a competitor.

3. To bribe or in any respect subsidize employees of others.

4. To induce, or seek in any way to induce, employees to leave the service of a competitor, to the latter's temporary or permanent embarrassment, or with the intent or effect of securing the trade or milk supply of such competitor.

5. To give out, disseminate, or use in any way, false cost statement.

6. To make false or disparaging statements, either written or oral, or to circulate harmful rumors respecting competitors' products, selling prices, business, financial or personal standing.

7. To give away goods or samples which would have the effect of rebates.

8. To sell one article at less than cost, and recoup on other articles sold at the same time.

9. To give secret discounts or rebates in any manner, or for any purpose whatsoever.

10. To make or spread false, misleading or injurious statements by advertising or in any manner or form whatsoever.

11. To make untrue statements regarding the matter of pasteurization and butterfat content of milk or cream, such as: (a) claiming pasteurization for milk that has not been heated to at least 142 degrees Farhenheit and held at that temperature for at least thirty minutes; or (b) claiming a butterfat content in excess of actual tests.

12. To make any claim as to source of supply that cannot be substantiated.

13. To claim virtues for or benefits from milk that cannot be substantiated.
14. To extend the cream line by use of any artificial process.
15. To distribute products of a better grade than the product they are supposed to represent.
16. To give or offer premiums of merchandise or money, the premium to be determined by lottery.
17. To supply any dairy products or other commodities, such as ice, ice-boxes, combination-cabinets or other equipment to dealers as a concession to secure new or retain old business.
18. To give away any dairy product or article of merchandise, regardless of its nature, which in reality is a gift or premium, and not educational, except to recognized charitable organizations.
19. To give advertising allowances, either case or merchandise, to new or old stops.
20. To take advertising in any program, periodical, or publication of any kind whatsoever, unless such publication has a general circulation or is for sale on newsstands.
21. To conduct individually exhibits or displays in parades or at shows, or other places, provided, however, that such exhibits and displays may be conducted corporatively by any trade association.
22. To give loans directly or indirectly, or make guarantees to any stops where such financial assistance is given to secure milk business.
23. To give produce or anything whatsoever to school teachers, doctors, nurses or others, for the purpose of influencing the selection of a particular brand of milk or dairy product.
24. To give free milk or dairy products to apartment house owners or managers, or others, regardless of the size of the stop.
25. To place signs about buildings or on walls when an allowance or rental is given.
26. To grant discounts and concessions of such nature as to enable a dealer to conduct sales causing dairy products to be used as a drawing attraction.
27. For a distributor to start serving a store within thirty days after said store has been cut off by another distributor because such store was not adhering to resale prices.

28. For a distributor to permit route drivers, salesman or peddlers to cover the same territory or route formerly served by them while in the employ of a competitor, within six months after change of employment.

29. For anyone to purchase milk and change cap or bottle without the bottler's permission.

30. To charge in any case, except to employees, less than retail prices when milk is delivered at the home.

31. For a distributor to grant credit to a customer who has been discontinued by any other distributor because of bad credit, unless and until the old account shall have been paid.

32. For delivery trucks to leave a distributor's plant to deliver milk or dairy products after 6:00 o'clock p.m.

33. For any contracting distributor to fail to invoice daily at three (3) cents per bottle any bottle difference at any wholesale stop, or to fail to secure settlement for the same at regular intervals not exceeding thirty days.

34. For anyone not having a permit in good standing from the Health Department of the City of Chattanooga to sell milk for distribution and sale in, or to distribute and sell in, the Chattanooga Metropolitan Sales Area.

35. For anyone to use milk powders, condensed milk, or any like substance to make, or in connection with making milk or buttermilk for sale in the Chattanooga Sales Area, or to sell therein milk or buttermilk so made in whole or in part.

36. To mix, or permit or cause to be mixed, with milk entitled to be sold in the Chattanooga Sales Area under permit of the Health Department of Chattanooga, any milk produced without such a permit, or to use in this or any other way the milk cans of a party holding a permit for the purpose of bringing into and marketing in the Chattanooga Sales Area milk not produced under permit from said Health Department.

37. To induce, or seek to induce, by any methods whatever, members of the Chattanooga Area Milk Producers' Association to withdraw from membership therein.

38. To buy milk for manufacturing purposes and sale within the Chattanooga Sales Area, except sour cream for making butter, unless: (1) said milk is the product of the Chattanooga Milk Producing Area; (2) the prices provided in this code are adhered to; and (3) the purchaser makes provision in connection with such purchase for the same contribution to the Chattanooga Dairy Council, according to the amount so purchased, as is herein provided shall be made by parties signatory hereto who are similarly circumstanced.